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S E C R E T MANAMA 000691

SIPDIS

PM FOR A/S SHAPIRO FROM AMBASSADOR ERELI

E.O. 12958: DECL: 12/03/2019

TAGS: OVIP PGOV PREL KDEM MARR BA
SUBJECT: SCENESETTER FOR MANAMA DIALOGUE, DECEMBER 11-13

REF: A. MANAMA 660

1B. MANAMA 628 C. MANAMA 651 Classified By: CDA Christopher Henzel for reasons 1.4 (b) and (d).

1.(C) Mr. Assistant Secretary, you will arrive in Bahrain at a time of introspection for the Bahraini regime as this year's IISS Manama Dialogu 2.(C) Following the death of his father, Emir Isa bin Salman Al Khalifa in 1999, Hamad bin Isa Al Khalifa inherited a country torn by sectarian 3.(C) A graduate of the Mons Officer Cadet School and the U.S. Army Command and General Staff College, King Hamad takes a leading role in direc 4.(C) Bahrain was designated a Major Non-NATO Ally in 2002, and KingHamad believes it is important that Bahrain do its part in support of regic 5.(C) King Hamad views an activist foreign policy as essential for a small state like Bahrain that wants its interests to be considered in the 6.(C) Bahrain was one of the first Gulf states to reopen its embassy in Baghdad, and, while wary of the Maliki government, has reached out to I 7.(C) King Hamad understands that Bahrain cannot prosper if he rules by repression. Bahrain's civil society is active and is engaged with Middl 8.(S) The 2004 withdrawal of U.S. Navy dependents represented the nadir in our counterterrorism relationship. Since then, the government has en 9.(C) Unlike its neighbors, Bahrain is not blessed with abundant oil and gas, and so has diversified its economy, establishing itself as the wc 10.(C) Bahrain has also expressed long-term interest in nuclear power, and in March, 2008 signed a memorandum of understanding with the U.S. on 11.(U) In August 2006, the U.S.-Bahrain Free Trade Agreement entered into force -- the culmination of a multiyear effort to open and reform Bah 12.(C) King Hamad is personable and engaging. He rules as something of a "corporate king," giving direction and letting his top people manage t 13.(C) In November, 2008, senior officials from PM, NEA, and OSD met with Bahraini counterparts as part of the Gulf Security Dialogue. Since the